

USACE FINANCE CENTER
BIWEEKLY REPORT
PERIOD ENDING 29 SEPTEMBER 2006

I. CEFMS:

A. In preparation for fiscal year-end closing of USACE databases, we accomplished the following:

- Researched and analyzed labor/payroll data and answered questions for in-house labor and time and attendance. We worked with problem report points of contact in resolving problems for specific labor issues, and we made programming changes when warranted.

- Verified Revolving Fund recons on all databases and have taken necessary action to bring the reports into balance for year end.

- Researched de-obligation problems where processes partially de-obligated travel orders. We determined that 20+ USACE activities had such conditions present on their databases. We corrected all partial updates and hanging obligation header records on all USACE activity databases.

- Researched travel advance records that were uncertified even though the travel dates had passed. Many of these records were created when the USACE activity's travel process was being moved to the Finance Center. A new showstopper on the year-end programs will detect these records and flag the showstopper. All USACE activity databases have been reviewed for these records, and the records have been certified, cancelled or deleted as appropriate.

- Continued to test the year-end closing programs and the USACE activities databases in preparation for 30 Sep 06. We have modified some procedures to improve performance, researched data conditions to ensure correct closing processes and added options to assist the user during the year end process.

- Continued to work on year-end closing actions by completing problem reports, revising the `general_ledger_yearend_corr_table` (glcorye), testing the closing process on USACE databases and developing and revising showstoppers.

- Added more new showstopper reports, such as Labor Rebalancing and Manpower Close for Null Purpose Codes in the cost account detail table.

- Revised several showstoppers to include changes made to different processes this fiscal year, such as cost share and appropriation refunds. We added new elements, such as originator, transaction dates and appropriation status.

- Finished testing all USACE activities for year-end closing and made changes to year-end closing programs, as needed.

- Made changes to the year-end report stacks by adding the prompt pay and hurricane reports and deleting travel advance and noble eagle reports.

- Made extensive revisions to the general ledger correlation (glcorye) report due to changes to the Revolving Fund and the CFO initiative.

- Modified the mid-month CEEMIS report stack to generate on 13 Sep in addition to 20 Sep for the UFC to review all military reports and reconciliations prior to end of year closeout.

- Reviewed the Year-end Closing Manual for FY2005 and made needed modifications for FY2006 and updated the CEFMS Users Manual On-Line website.

B. Per HQUSACE (CERM-F) new policy requirement, we continue testing a process to allow an effective labor rate to be applied to overtime worked hours. This process is scheduled for release on 1 Oct 2006.

C. We modified the Joint Review Process (JRP) Chief Financial Officer certification screen in CEFMS and distributed instructions for use of the screen. From this point on, a user will not be required to log into CEEMIS to submit the JRP certification. The certification process in CEFMS requires the role of ULO_CHIEF_FINANCIAL_OFFICER and electronic signature. This is a requirement to be accomplished by mid October for all USACE activities.

D. We have analyzed supervision and administration (S&A) and the Statement of Results from Operations (3021 Report) and have found the amounts balance in CEFMS. The problem was the SA 95 roll-up to corporate level in CEEMIS has to be revised.

E. We provided the Pricewaterhouse Coopers (PwC) auditors with detailed instructions and reconciliation totals to aid in their reconciliation of the labor transaction registers to the labor subsidiary table.

- The PwC auditor initial reconciliation requirement included subsidiary records with civil labor charge codes to balance to expense general ledger amounts updated in the transaction registers for civil appropriations.

- The second reconciliation requirement included providing the labor subsidiary records with military charge codes and the labor transaction registers for military appropriations to balance expense general ledger amounts.

- The third reconciliation requirement included both the civil and military labor subsidiary records to balance revolving fund revenue general ledger amounts in the transaction registers.

- Upon receipt of our information and reconciliation totals, the PwC auditors submitted confirmation of agreement.

- We also provided the PwC auditors with a detailed document, including screen prints of general ledger correlation updates, to assist them in understanding the USACE labor business process.

F. We have received problem reports from USACE activities asking us to reverse payroll transactions that were input some nine months ago. According to the USACE activities, these entries were duplicates. They show as open payables in revolving fund, but cannot be disbursed. We made program changes to reverse the duplicate transactions.

G. We made program changes to update the Check Register Data that did not populate back to several USACE activities on 15 Sep 06 and again on 21 Sep 06. The log files for these had been overwritten and we could not determine the cause of the failed update. This same update process stopped on 19 Sep 06, due to a table lock. Research revealed a user had pulled a record up in the Voucher Certification Screen, and then left the area. This screen had locked the table for the update, and other users could not reserve records for updates.

H. While the UFC was generating a large IPAC File on 23 Sep 06, the processing stopped with all records getting electronic signature error. The error indicated that either the Translate Key Center (KTC) was down or the Data Base Logger was down. We made a change to null all of the entries that were generated in the first run, and the process was restarted. The file completed with no errors.

I. We researched a problem report regarding a USACE employee who had not received an email notice for his last twelve travel settlements. We determined that the email address the employee had loaded in CEFMS Screen 10.131, Employee Travel Information Screen, was not valid in Outlook. The user has corrected his address and should receive the email notices in the future.

J. We continue to work on the process change for travel advances, which is to charge advances to the travel order funding in lieu of Disbursing Officer's Account (DOA). We have discussed the new process with experts in military reports and reconciliations to ensure we will not create imbalances when the new process is released. The tentative date for release is 16 Oct 06.

K. The following changes or analyses were performed in the labor module:

- We coordinated with the Defense Finance and Accounting Service (DFAS) when one USACE activity was not receiving their biweekly Master Employee File (MER), used in the MER interface. DFAS corrected the problem and started transmitting that file when they transmitted the other USACE activity's files. We verified that all files were included.

- We assisted a USACE activity with an error they experienced during the personnel interface update that was caused by the length of an employee's name. We gave them a work-around and then changed the programming code to separate the last name field and suffix with a comma, rather than a space, if the name is a maximum of 27 characters and a suffix is involved.

- We added a lock to the process that opens a new pay period so that no one can update the employee_mstr table while a new pay period is simultaneously being opened on the same database. Before this change, these circumstances caused errors for Customer Service Representatives.

- We provided a script to a USACE activity that was having problems with a rotating tour of duty schedule, and will correct the programming code in the upcoming fiscal year.

- We are working on a way to enter more than one prior period time and attendance (T&A) adjustment for the same work date and same employee without requiring the opening of a new pay period. This situation is a frequent problem for timekeepers.

L. We revised the Civil Automated Budget (CAB) extract program, which is run as part of the year-end closeout process, so that it includes new general ledgers used during FY2006. The extract program will capture current year (FY2006) Civil Works obligation amounts by appropriation, fund type (direct or reimbursable), and object class. For reimbursable projects, the extract will also capture the customer name based on the Initial Customer Code recorded in CEFMS for that project. In November or December, USACE activities will submit the CAB data, along with estimated obligations for FY2007 and FY2008 by object class, to HQUSACE for preparation of the Civil Works budget submission to OMB.

M. We revised the Plant Replacement and Improvement Program (PRIP) report so that it includes all of the appropriate new general ledgers used during FY2006. The report displays allocations, obligations, and expenditures for PRIP accounts established in the current year and in previous years. The report is generated monthly in CEFMS and submitted to CEEMIS for review by Regional Business Center PRIP managers and by the HQUSACE PRIP Manager.

N. We implemented a change to the funding account completion program to remove the financially complete indicator when an appropriation refund is processed against an obligation line item for a funding account which has been marked financially complete. We also revised the logic used to mark funding accounts financially complete to be consistent with Funding Account Financial Summary (Screen 7.14). Additional logic revisions were also made to remove the financially complete indicator if the financially complete status changes. The initial execution of the revised logic on August 29 caused 1633 funding accounts to be marked financially complete. Additionally, from 3-13 Sep 06, 5214 funding accounts were marked financially complete. We also tuned the program and reduced its execution time from 60 to 13 minutes. This program is executed daily on each CEFMS database.

O. We monitored the cost share automated withdrawal program. For 14 Sep 06, the program withdrew \$35 million from sponsor advance accounts and \$4 million from sponsor Work-In-Kind accounts for 1128 sponsors. The program also closed 14 cost share projects. The Cost Share Automated Withdrawal Report provides this information by Field Operating Activity (FOA).

P. We monitored the Cost Share Completion Summary Report. As of 15 Sep06, USACE had 1840 active cost share projects. Additionally, there were 1039 cost share projects that were either fiscally or physically complete and should be closed out. An email is sent to cost share responsible employees each month advising that these projects should be closed. The Cost Share Completion Summary Report provides this information by Field Operating Activity (FOA). The report is available for USACE activities and provides a count by FOA of the number or cost share projects in various stages of completion. USACE users may print the report using the cost share reports option or have it automatically emailed by having their local data manager complete email Notification Screen 10.92.

Q. We reviewed, tested and modified military reports and reconciliations for new general ledgers and problem areas. We assisted the UFC Military/Cash Report Division with Integrated Command Accounting Report (ICAR) obligations (1J problems) on the Europe District's (E7) and Transatlantic Center's (N0) databases, and pay collect codes on the Mobile District's (K5) database. We found we had some problems with labor updates to 'X' year Military funds. We made required changes and all actions have been finished and databases are back in balance.

II. PROBLEM REPORTS/IMBALANCES:

A. Open problem report inventory:

	<u>This Report</u>	<u>Last Report</u>
Total Problems	746	763
Priority #1 Problems	106	101

We received 296 new problem reports and completed 313 problem reports.

B. Database Imbalances on our 59 Production Activities:

<u># of Imbalances</u>	<u>This Report</u>	<u>Last Report</u>
None	52	54
One	3	4
Two	0	1
Three	2	1
Six	1	0
Seven	1	0

III. ACCOUNTING OPERATIONS:

A. NUMBER AND LOCATION OF ONBOARD PERSONNEL

<u>LOCATION</u>	<u>ONBOARD</u>
MILLINGTON:	215
HUNTSVILLE:	25
USACE HQ:	1
TOTAL:	241

B. DISBURSING WORKLOAD DATA

<u>PAYMENT</u>	<u>CURRENT MONTH</u>	<u>YEAR TO DATE</u>
	Sep 01-26	Oct 01-Sep 26
CHECKS:		
CHECKS ISSUED	9,429	119,736
PERCENT OF TOTAL	8%	10%
DOLLAR AMOUNT	\$94,864,202	\$1,434,259,045
EFT:		
TRANSFERS MADE	67,488	669,734
PERCENT OF TOTAL	92%	90%
DOLLAR AMOUNT	\$2,288,609,931	\$25,602,628,743

*percentages adjusted for utility checks which do not have to participate in EFT

C. MILITARY ACCOUNTING REPORT ACCURACY RATES: ENDING AUGUST 06

- Unmatched Disbursements for Military Appropriations:
USACE exceeds DFAS Goal
- Transactions by Others (TBO) Greater than 30 days, less than 120 days for Military Appropriations:
USACE exceeds DFAS Goal
- TBO Greater than 120 days for Military Appropriations:
USACE did not meet the DFAS Goal. Four TBO charges for E3 and one Interfund charge for K5 were reflected on the greater than 120 listing. The E3 charges are now cleared, but the K5 charge is still an issue.
- Integrated Command Accounting Report (ICAR) for Military Appropriations:
USACE Accuracy Rate was 99.1%
- US Standard General Ledger Trial Balance Report for Military Appropriations:
USACE Accuracy Rate was 99.7%
- Disbursing Statement of Transactions (SOT) SF1220 for Military Appropriations:
USACE Accuracy Rate was 99.4%
- Command Expenditures Errors (CER):
ICAR does not reconcile with SOT (SF1220)*

*USACE had 0 errors.

IV. OTHER UFC ISSUES:

A. The CFO Team accountants provided supporting documentation to PricewaterhouseCoopers (PwC) auditors for Fund Balance with Treasury for fiscal years 2001 - 2004. We also provided a reconciliation of "Resources that Finance the Acquisition of Assets" on the statement of financing to the change in property and equipment on the balance sheet, depreciation expense and the change in prepaid expense. We also provided the correlation table from CEEMIS that assigns the general ledger account attributes necessary for reporting in the Defense Departmental Reporting System.

B. The CFO/Civil Reports Division Chief, Ellen Gibson, and Accountant, Brenda Carter, participated in a conference call with the Bureau of Public Debt, Fish and Wildlife Service, Coast Guard and KPMG (the audit firm engaged by Department of Interior). The Department of Interior reports the Sport Fish Restoration and Boat Safety Trust Fund. USACE receives transfers from this fund into the Coastal Wetlands Restoration account. The discussion was about the possibility of segregating the investments associated with Interior, Coast Guard and USACE, and having those entities report their portion of the investment activity. This conflicts with Treasury Financial Manual paragraph 4707-20d, that states the lead program agency must include the Bureau of Public Debt trust fund data in their financial statements. There was no resolution or consensus of action to be taken resulting from the teleconference.

C. We received 4th Quarter FY 2006 guidance from DFAS for year-end financial statement preparation and reporting. There is a new requirement in 4th Quarter FY 2006 to compare and ensure consistent reporting of aged accounts receivable between the Treasury Report on Receivables and the aging schedule in Note 5, Accounts Receivable. There are 47 attachments to the quarterly guidance for 4th Quarter 2006 reporting. We are reviewing all guidance to ensure we are ready to meet all requirements.

D. The Topographic Engineering Center's (U1) database was successfully closed on 19 Sep 06. The database was incorporated into the Engineer Research and Development Center (U4) database a couple of years ago. All of the residual actions have been completed.

E. Preparations are underway for year-end closeout. We are establishing a schedule. We will begin closing the databases on 29 September and will work around the clock until the last database is closed. We expect to be completely done by the afternoon of 1 October.

F. UFC Deputy Director, Cynthia Blevins, presented a dynamic and highly interactive "Interviewing Skills" workshop for approximately 60 UFC employees. This is part of our "soft landing" for employees who may be negatively impacted by the reduction-in-force actions necessary to implement the Finance Center Most Efficient Organization (MEO). Although no separations are anticipated as a result of MEO implementation, there will be a number of downgrades. There are also some new supervisory positions being established for the MEO, and some affected employees will have the opportunity to interview for those supervisory positions. UFC employees were also offered Resumix training in early September. Ms. Blevins' interview workshop was extremely well received with many positive comments from employees. Due to the overwhelmingly positive response to this training, additional sessions are planned.

G. The UFC Travel Division is processing PCS vouchers received on 19 Sep 06.

H. The Resource Management Division performed a cash verification on 27 September as required by Volume 5 of the DoD Financial Management Regulation. This quarter, we concentrated on cash collections, specifically tracing a sample of checks from receipt by the mailroom through the process to the actual deposit ticket and cash collection voucher in the Disbursing Division. No discrepancies were found during our review.

I. On 21 September, we participated in a teleconference with OSD, DFAS and other Defense Department agencies for the Investments Risk Assessment session pertaining to OMB Circular A-123, Management's Responsibility for Internal Control requirements. OSD is conducting a series of sessions related to internal control risk assessments for different accounting lines such as accounts payable, investments, and Federal Employees' Compensation Act (FECA). The investments risk assessment focused on assurances of the completeness of amounts collected for the three trust funds incorporated in the USACE CFO Act financial statements.

J. The Resource Management Division completed the submission of sample transaction documentation for the ongoing CFO Act financial statements audit. We had to provide supporting documentation for about 150 sample transactions such as public and intra-government revenue, public and intra-government expenses, and public accounts payable.

K. On 26 September, we submitted the final manpower utilization report for FY06. The report indicated under utilization of about one FTE which will result in a green rating for CMR purposes.